

**RSCC Transportation Subcommittee
Minutes of the Conference Call
September 19, 2006
2:00pm**

Council Members on the Call: Mike O'Hara, Sen. Ken Hansen, Russ Hobbs
Absent: Evan Barrett

Contract Staff on the Call: Terry Whiteside, Gloria O'Rourke

Guests on the Call: Mary Whittinghill

The meeting opened with a request for Mike O'Hara to serve as Chair for the Subcommittee. Mike O'Hara agreed to serve as Chair.

Terry Whiteside requested feedback on the 2006 Harvest Rail Survey draft. Several suggestions were made such as putting a time limit on the survey, offering to send the individual a copy of the final report and including a confidentiality notice. Terry said he and Mike O'Hara will work with grower groups such as the Montana Grain Growers Association, WIFE, Farmers Union and Montana Farm Bureau to send out the survey to obtain harvest numbers and information. For the transportation cost side of the information the RSCC is seeking, Terry will work with Montana Department of Agriculture and Montana Department of Transportation.

Terry will receive input from the RSCC Taxation Subcommittee then get the survey out. It may be possible to utilize the Fall conferences and meetings of the grower groups to encourage participation which are all scheduled in the next 60 days.

According to HB769, parameters to focus on for future RSCC Transportation Subcommittee meetings include:

- ✓ Develop structures (government or private) that will facilitate growth in transportation investment
- ✓ Partner with other agencies to promote rail service competition

With these thoughts in mind, Terry Whiteside suggested the following:

1. Focus on what kind of legal structures or partnerships need to be developed in Montana in order to develop rail competition choices such as value added infrastructure, or build-in, build-outs, etc.
2. Focus on what kind of legal and partnership entities can be developed to increase investment in transportation infrastructure.

In summary, the RSCC needs to be the facilitator for bringing together all parties, identify problems and bridge the gap by developing the ground work for them.

Terry will build a white paper of three or four items for this subcommittee to focus on that will start the SubCommittee on a path that will provide mechanisms leading towards a seamless process for private industry and government to work together to address the problems. The committee agreed that identifying and listing core rail systems including branch lines is an essential task so that Montana's core rail system can be protected. Once branch lines are protected, people can make capital investments based on that knowledge. The committee also wants feedback from the port authorities in Butte and Shelby to learn what impediments they face.

The meeting concluded at 3:10pm.